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**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA**

**Basic Financial Statements
and Independent Auditors' Reports**

**As of and for the Year Ended June 30, 2002
With Supplemental Information**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/4/02

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
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GOVERNING BOARD

Karlton Methvin, President
Milton McDonald, Vice President
Janet Jones
Adolph Sklar, Jr.
Alfred Bruning
Billy Giddens
Joseph Ned Henry, Jr.

John Clifton Conine
Assistant Secretary & Attorney

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Board of Levee Commissioners of the
Natchitoches Levee and Drainage District
State of Louisiana
Natchitoches, Louisiana

We have audited the accompanying basic financial statements of the **NATCHITOCHES LEVEE AND DRAINAGE DISTRICT**, a component unit of the State of Louisiana, as of and for the year ended June 30, 2002, as listed in the Table of Contents. These basic financial statements are the responsibility of Natchitoches Levee and Drainage District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*. Those standards and the guide require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Natchitoches Levee and Drainage District, as of June 30, 2002, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the basic financial statements, the Natchitoches Levee and Drainage District adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*; Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, as of July 1, 2001. This results in a change in the format and content of the basic financial statements.

The accompanying required supplementary information, including Management's Discussion and Analysis and the Budget Comparison as listed in the Table of Contents are not a required

part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We have also issued our report dated August 13, 2002 on our consideration of the Louisiana Natchitoches Levee and Drainage District's annual financial report to the Louisiana Division of Administration as of and for the year ended June 30, 2002, which is listed in the Table of contents as Other Supplementary Information.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2002, on our consideration of the Natchitoches Levee and Drainage District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts.

Leroy J. Chustz

Certified Public Accountant, APAC

Beverly A. Ryall

Certified Public Accountant

August 13, 2002

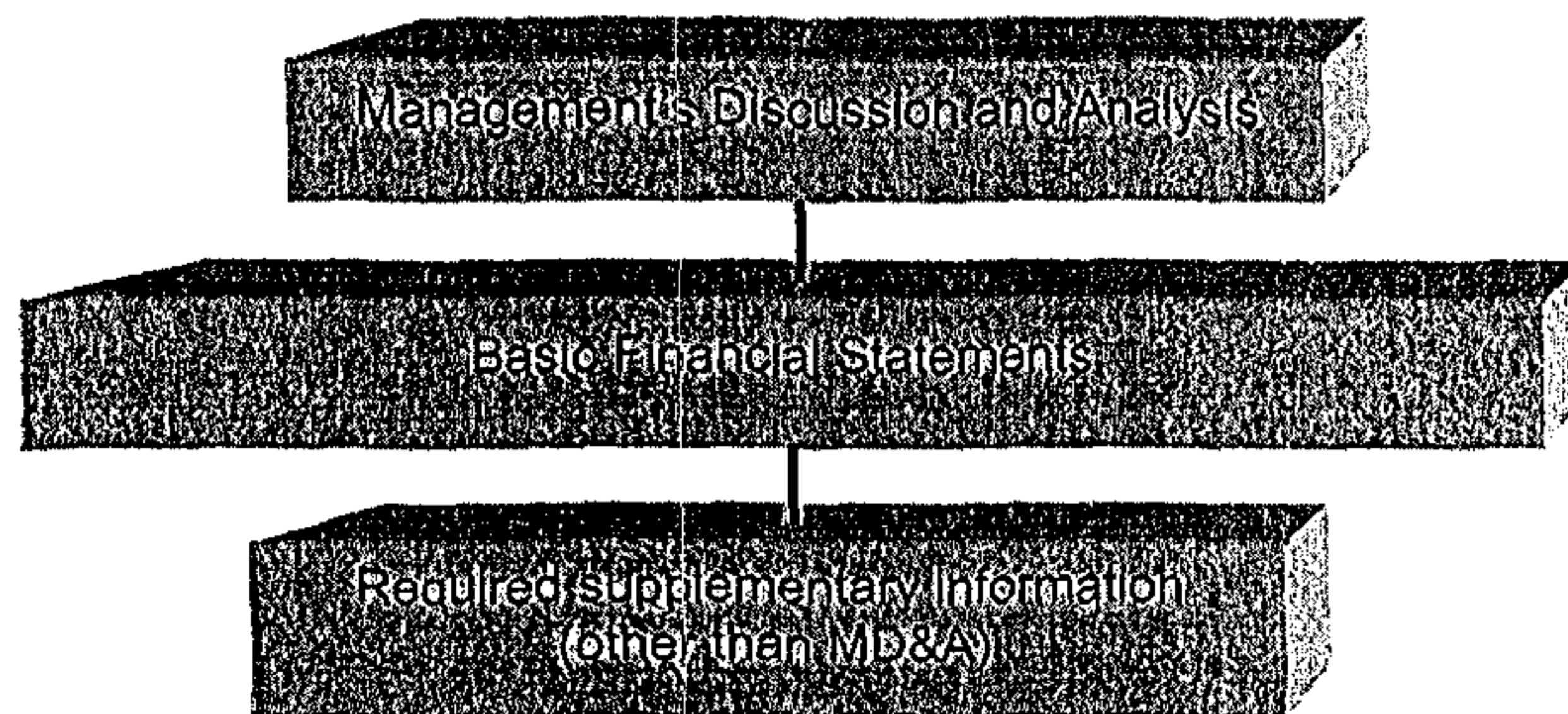
The Management's Discussion and Analysis of the Natchitoches Levee & Drainage District's (BTA) financial performance presents a narrative overview and analysis of Natchitoches Levee & Drainage District's (BTA) financial activities for the year ended June 30, 2002. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the Natchitoches Levee & Drainage District's (BTA) financial statements, which begin on page ____.

FINANCIAL HIGHLIGHTS

- ★ The Natchitoches Levee & Drainage District's (BTA) assets exceeded its liabilities at the close of fiscal year 2002 by 595,284 which represents a 45% increase from last fiscal year. The net assets increased by \$183,724.
- ★ The Natchitoches Levee & Drainage District's (BTA) revenue decreased \$14,274 and the net results from activities increased by \$102,205.
- ★
- ★
- ★
- ★

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

The basic financial statements present information for the Natchitoches Levee & Drainage District (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Statement of Net Assets (pages ___ - ___) presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Natchitoches Levee & Drainage District(BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages ___ - ___) presents information showing how Natchitoches Levee & Drainage District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement (pages ___ - ___) presents information showing how Natchitoches Levee & Drainage District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2002			
	Total		
	2002	2001	
Current and other assets:	\$ 513,869	\$ 412,466	
Capital assets	149,549	15	
Total assets	663,418	412,466	
Other liabilities:	68,134	906	
Long term debt outstanding:			
Total liabilities	68,134	906	
Net assets:			
Invested in capital assets, net of debt	149,548		
Restricted			
Unrestricted	445,736	411,560	
Total net assets	\$ 595,284	\$ 411,560	

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, grant requirements, _____. Conversely, unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2002

Net assets of Natchitoches Levee & Drainage District's (BTA) decreased by \$_____, or _____%, from June 30, 2001 to June 30, 2002. One of the major causes of this decrease is the inclusion of infrastructure assets. This class of asset, which includes roads, bridges, and levees, was not included in general fixed assets of Natchitoches Levee & Drainage District (BTA) under the basis of accounting prior to adoption of GASB Statement 34. Other causes include _____.

Statement of Revenues, Expenses, and Changes in Fund Net Assets for the years ended June 30, 2002			
	Total		
	2002	2001	
Operating revenues	\$ 12,848	\$ 45,458	
Operating expenses	(319,093)	(403,205)	
Operating income (loss)	(306,245)	(357,747)	
Nonoperating revenues (expenses)	344,175	319,757	
Income (loss) before transfers	37,930	(37,990)	
Transfers in			
Transfers out			
Net increase (decrease) in net assets	\$ 37,930	\$ (37,990)	

The Natchitoches Levee & Drainage District's (BTA) total revenues decreased by \$8,193. The total cost of all programs and services decreased by \$84,112 or less than 21%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2002, the Natchitoches Levee & Drainage District (BTA) had \$149,549 (net depreciation) invested in a broad range of capital assets, including land and equipment. (See Table below). This amount represents a net increase (including additions and deductions) of \$4,065 over last year.

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2002

Capital Assets at Year-end
(Net of Depreciation)

	2002	2001
Land	\$ 1,200	\$ 1,200
Buildings and Improvements		
Equipment	148,349	152,414
Infrastructure		
Totals \$	<u>149,549</u>	<u>\$ 153,614</u>

This year's major additions included (at cost):

- JD 7405 Tractor - \$37,024
- JD 7405 Tractor - \$37,023

Debt

N/A

The Natchitoches Levee & Drainage District (BTA) had \$ _____ thousand in bonds and notes outstanding at year-end, compared to \$ _____ thousand last year, an increase of _____ % as shown in the table below.

Outstanding Debt at Year-end
(in thousands)

	2002	2001
General Obligation Bonds	\$	\$
Revenue Bonds and Notes		
Totals \$	<u>0</u>	<u>\$ 0</u>

New debt resulted from _____.

The Natchitoches Levee & Drainage District (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The Natchitoches Levee & Drainage District (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$____ million over/under budget and expenditures were more than/less than budget due in part to _____.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Natchitoches Levee & Drainage District's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Projected amount of available revenue.
- Projected equipment needs
- Personnel and related costs

The Natchitoches Levee & Drainage District (BTA) expects that next year's results will improve based on the following :

- More efficient use of equipment, materials, and personnel
-
-

CONTACTING THE NATCHITOCHES LEVEE & DRAINAGE DISTRICT'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Natchitoches Levee & Drainage District's (BTA) finances and to show the Natchitoches Levee & Drainage District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact Cliff Conine.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2002

ASSETS

Current Assets

Cash and cash equivalents	\$ 272,738.84
Investments	234,460.66
Receivable - accrued interest	1,632.87
Other assets	5,037.00
Total Current Assets	<u>513,869.37</u>

Noncurrent Assets

Capital assets -	
Land	1,200.00
Machinery and equipment	358,012.80
Accumulated depreciation	(209,663.83)
Total noncurrent assets	<u>149,548.97</u>

TOTAL ASSETS	<u>\$ 663,418.34</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 50,005.78
Payroll deductions and accruals	788.00
Total Current Liabilities	<u>50,793.78</u>

Noncurrent Liabilities

Compensated absences	17,340.00
Total Noncurrent Liabilities	<u>17,340.00</u>

Total Liabilities	<u>68,133.78</u>
-------------------	------------------

Net Assets

Investment in capital assets	149,548.97
Unrestricted	445,735.59
Total Net Assets	<u>595,284.56</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 663,418.34</u>
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See accompanying notes to the basic financial statements.

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2002

GOVERNMENT ACTIVITIES:

Public Safety - Flood Protection:

Personal services and related benefits	\$ 159,530.51
Travel	503.34
Operating services	87,842.42
Supplies	246.09
Professional services	31,761.20
Depreciation expense	<u>29,462.63</u>

Total Expenses	<u>309,346.19</u>
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GENERAL REVENUES:

Taxes -

Ad valorem, net	291,858.52
Intergovernmental	38,678.00
Investment income	11,968.08
Miscellaneous	<u>4,771.74</u>

Total General Revenues	<u>347,276.34</u>
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Increase in Net Assets	37,930.15
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NET ASSETS AT JUNE 30, 2001	<u>557,354.41</u>
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NET ASSETS AT JUNE 30, 2002	<u><u>\$ 595,284.56</u></u>
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See accompanying notes to the basic financial statements.

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
BALANCE SHEET - GOVERNMENTAL FUND
JUNE 30, 2002

ASSETS

Cash and cash equivalents	\$ 272,738.84
Investments	234,460.66
Receivable - accrued interest	1,632.87
Other assets	<u>5,037.00</u>
TOTAL ASSETS	<u>\$ 513,869.37</u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$ 50,005.78
Payroll deductions and accruals	<u>788.00</u>
Total Liabilities	<u>50,793.78</u>

Fund Equity:

Fund balances -	
Unreserved - undesignated	<u>463,075.59</u>
Total Fund Equity	<u>463,075.59</u>

TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 513,869.37</u>
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Reconciliation of Total Government Fund Equity to Net Assets of Government Activities:

Total Government Fund Equity	\$ 463,075.59
Amounts Reported for Government Activities in the Statement of Net Assets are Different Because:	
Capital Assets used in Governmental Activities are not Financial Resources and therefore are not Reported in the Funds (Net of Accumulated Depreciation of \$209,663.83)	149,548.97
Long-Term Liabilities, including Compensated Absences, are not Due and Payable in the Current Period and therefore not Reported in the Funds	<u>(17,340.00)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$ 595,284.56</u>

See accompanying notes to the basis financial statements.

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
YEAR ENDED JUNE 30, 2002

Revenues:

Taxes -

Ad valorem, net \$ 291,858.52

Intergovernmental -

State revenue sharing 38,678.00

Use of money and property -

Interest earnings 11,968.08

Miscellaneous -

Other 879.82

Sales of surplus property 3,891.92

Total Revenues

347,276.34

Expenditures:

Current -

Personal services and related benefits 160,010.51

Travel 503.34

Operating services 87,842.42

Supplies 246.09

Professional services 31,761.20

Capital outlays

74,047.30

Total Expenditures

354,410.86

Excess of Revenues (Expenditures)

(7,134.52)

FUND BALANCE - JUNE 30, 2001

470,210.11

FUND BALANCE - JUNE 30, 2002

\$ 463,075.59

See accompanying notes to the basic financial statements.

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
YEAR ENDED JUNE 30, 2002

*Reconciliation of the change in Fund Equity -
Governmental Fund to the change in Net Assets
of Governmental Activities:*

Net Change in Fund Equity Governmental Fund	\$ (7,134.52)
Amounts Reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds report capital outlays as expenditures while Governmental Activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	74,047.30
Depreciation expense	(29,462.63)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require use of current financial resources and therefore are not reported as expenditures in governmental funds	
	<u>480.00</u>
<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$ 37,930.15</u></u>

See accompanying notes to the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.A. INTRODUCTION

The Natchitoches Levee and Drainage District was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:291 (H), when the Natchitoches-Cane River Levee and Drainage District and the Campti-Clarence Levee and Drainage District were combined into one District. The District includes most of Natchitoches Parish. The District primarily provides flood protection for those areas contained in the District. The governing board administers the operations and responsibilities of the District in accordance with the provisions of Louisiana Statutes. The Board of Commissioners of the Natchitoches Levee and Drainage District consists of eight members appointed by the governor in accordance with provisions of R.S. 38:304, who reside within the Parish of Natchitoches. The Commission's office is located in Natchitoches, Louisiana.

The accounting and reporting framework and the more significant accounting principles and practices of the Natchitoches Levee and Drainage District are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the Natchitoches Levee and Drainage District's financial activities for the fiscal year ended June 30, 2002. The Natchitoches Levee and Drainage District implemented new reporting model standards beginning July 1, 2001. Comparability with reports of all prior years will be affected. Also see Note 2.B.

1.B. FINANCIAL REPORTING ENTITY

GASB Statement No. 14, "The Financial Reporting Entity," has defined the governmental reporting entity to be the State of Louisiana. The Natchitoches Levee and Drainage District is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members, and public service is rendered within the state's boundaries. The accompanying basic financial statements present information only as to the transactions of the Natchitoches Levee and Drainage District, a component unit of the State of Louisiana.

Annually the State of Louisiana issues a basic financial statement which includes the activity contained in the accompanying financial statement. The basic financial statement is issued by the Louisiana Division of Administration-Office of Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

1.C. BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the Natchitoches Levee and Drainage District. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the Natchitoches Levee and Drainage District are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Natchitoches Levee and Drainage District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The fund of the Natchitoches Levee and Drainage District is described below:

Governmental Fund

General Fund

The General Fund is the primary operating fund of the Natchitoches Levee and Drainage District and is classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

1.D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus as the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting,

NATCHITOCHEs LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

1.E. ASSETS, LIABILITIES, NET ASSETS AND FUND EQUITY

Cash and Cash Equivalents, and Investments

For the purpose of the Statement of Net Assets, cash and cash equivalents includes all demand, savings accounts, and certificates of deposits with an original maturity of 90 days or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price.

Additional cash and investment disclosures are presented in Notes 2.C. and 3.A.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as ad valorem taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Capital Assets and Depreciation

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of acquisition value of \$5,000 or more are recorded at historical cost, or estimated historical cost if actual is unavailable. Donated fixed assets which are recorded at their estimated fair value at the date of donation.

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

Infrastructure

Prior to July 1, 2001, the infrastructure assets of governmental funds were not capitalized. In applying GASB No. 34 guidelines, the Natchitoches Levee and Drainage District does not have any infrastructure that meets the threshold guideline of \$3,000,000.

Depreciation

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

- | | |
|-------------|------------|
| - Equipment | 5-10 years |
|-------------|------------|

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated Absences

Employees of the Natchitoches Levee and Drainage District earn and accumulate vacation and sick leave at varying rates, depending upon their years of service. The amount of vacation and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused vacation leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused vacation leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absences liability payable from expendable available financial resources.

Equity Classifications

Government-wide Statements

Equity is classified as net assets and displayed in three components:

- a. Investment in Capital Assets – Consists of capital assets included restricted capital assets, net of accumulated depreciation.
- b. Restricted Net Assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Assets – All other net assets that do not meet the definition of "restricted" or "investment in capital assets."

**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002**

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

1.F. REVENUES, EXPENDITURES, AND EXPENSES

Property Tax

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and all other purposes incidental thereto, the levee district may levy annually a tax not to exceed five mills. If the levee district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of five mills must be approved by a majority vote of the electors.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes were levied by District in November and billed to the taxpayers in December. Billed taxes become delinquent on January 1, of the following year.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds -- By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

NOTE 2. - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a state agency, the Natchitoches Levee and Drainage District is subject to various state laws and regulations. An analysis of the Natchitoches Levee and Drainage District's compliance with significant laws and regulations and demonstration of its stewardship over Natchitoches Levee and Drainage District resources follows.

2.A. FUND ACCOUNTING REQUIREMENTS

The Natchitoches Levee and Drainage District complies with all state laws and regulations requiring the use of separate funds. The Natchitoches Levee and Drainage District has no legally required funds.

2.B. RESTATEMENTS

The Natchitoches Levee and Drainage District implemented new reporting model standards in fiscal year 2002. As a result, beginning balances in the governmental fund financial statements. Restatement amounts for the General Fund are \$145,794. Also see Note 1.A.

**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002**

Fund Balance as of June 30, 2001	\$ 411,560
Fixed assets (net) as of June 30, 2001	153,614
Compensated Absences as of June 30, 2001	(17,820)
Unrecorded advance to Cane River Water District	10,000
Fund Balance restated as Net Assets June 30, 2001	<u>\$ 557,354</u>

2.C. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with state law, all uninsured deposits of the Natchitoches Levee and Drainage District in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Louisiana or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the Natchitoches Levee and Drainage District must have a written collateral agreement approved by the Natchitoches Levee and Drainage District of directors or loan committee. As reflected in Note 3.A., all deposits were fully insured or collateralized.

Investments are limited by R.S. 33:2955 and the Natchitoches Levee and Drainage District's investment policy.

NOTE 3. - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

3.A. CASH AND INVESTMENTS

Deposits

The Natchitoches Levee and Drainage District's policies regarding deposits of cash are discussed in Note 1.E. The table presented below is designed to disclose the level of custody credit risk assumed by the Natchitoches Levee and Drainage District based upon how its deposits were insured or secured with collateral at June 30, 2002. The categories of credit risk are defined as follows:

Category 1 – Insured by FDIC or collateralized with securities held by the Natchitoches Levee and Drainage District or by its agent in its name

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Natchitoches Levee and Drainage District's name

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Natchitoches Levee and Drainage District's name; or collateralized with no written or approved collateral agreement

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

Type of Deposits	Total Bank Balance	Category			Total Carrying Value
		1	2	3	
Demand deposits	\$ 280,048				\$ 272,739
Certificate of deposit	234,461				234,461
Total Deposits	<u>\$ 514,509</u>	<u>\$ 100,000</u>	<u>\$ 0</u>	<u>\$ 467,266</u>	<u>\$ 507,200</u>

Reconciliation to Government-wide Statement of Net Assets:

Unrestricted cash	<u>\$ 507,200</u>
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Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Natchitoches Levee and Drainage District that the fiscal agent has failed to pay deposited funds upon demand.

For financial statement reporting purposes, the certificate of deposit is reported as an investment.

Investments

The Natchitoches Levee and Drainage District's policies and applicable laws regarding investments are discussed in Note 1.F. and 2.C. The table presented below is designed to disclose the level of custody credit risk assumed by the Natchitoches Levee and Drainage District based upon whether the investments are insured or registered and upon who holds the security at June 30, 2002. The categories of credit risk are defined as follows:

Category 1 – Insured or registered with securities held by the Natchitoches Levee and Drainage District or its agent in the Natchitoches Levee and Drainage District's name

Category 2 – Uninsured and unregistered with securities held by counter party's trust department or agent in the Natchitoches Levee and Drainage District's name

Category 3 – Uninsured and unregistered with securities held by the counter party or by its trust department or agent but not in the Natchitoches Levee and Drainage District's name

3.B. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2002, was as follows:

	Balance at June 30, 2001	Additions	Disposals	Balance at June 30, 2002
Government activities:				
Land	\$ 1,200			\$ 1,200
Machinery and equipment	344,778	\$ 74,047	\$ (60,812)	358,013

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

Total Capital Assets	345,978	74,047	(60,812)	359,213
Less accumulated depreciation	(192,364)	(29,463)	12,163	(209,664)
Governmental activities capital assets, net	<u>\$ 153,614</u>	<u>\$ 44,584</u>	<u>\$ (48,649)</u>	<u>\$ 149,549</u>

3.C. LONG-TERM DEBT

Governmental Activities

As of June 30, 2002, the governmental long-term debt of the Natchitoches Levee and Drainage District consists of the following:

Accrued Compensated Absences:

Current portion	\$ 0
Noncurrent portion	17,340
Total Governmental activity debt	<u>\$ 17,340</u>

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2002:

Type of Debt	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
Governmental Activities:				
Accrued Compensated Absences	\$ 17,820	\$ 7,630	\$ (8,110)	\$ 17,340
Total General Long-Term Debt	<u>\$ 17,820</u>	<u>\$ 7,630</u>	<u>\$ (8,110)</u>	<u>\$ 17,340</u>

NOTE 4. - OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

Pension Plan

Substantially all of the employees of the Natchitoches Levee and Drainage District are members of the Louisiana State Employees Retirement System ("System"), a multiple-employer, defined benefit public employee retirement system (PERS) controlled and administered by a separate board of trustees.

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 month average salary multiplied by their years of credited service.

Vested employees may retire at [a] any age with thirty years of service, [b] age 55 with twenty-five years of service, and [c] at age sixty with ten years of service. In addition, vested employees have the option of reduced benefits at any age with twenty years of service. The System also provides death and disability benefits. Benefits are established by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees' Retirement System; P. O. Box 44213; Baton Rouge, LA 70804 or by calling (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the Natchitoches Levee and Drainage District is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal years ended June 30, 2002 and 2001, increased to 13% of annual covered payroll from the 12.4% required in fiscal year ended June 30, 2000. The District's contributions to the System during the fiscal years ended June 30, 2002, 2001, and 2000, were \$12,882, \$12,761, and \$13,950, respectively, equal to the required contribution. Under present statutes, the Natchitoches Levee and Drainage District does not guarantee any of the benefits granted by the system.

4.B. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the Natchitoches Levee and Drainage District's management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

4.C. RISK MANAGEMENT

The Natchitoches Levee and Drainage District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; employee health and life; and natural disasters. The Natchitoches Levee and Drainage District manages these various risks of loss as follows:

Type of Loss	Method Managed	Risk Retained
Torts, errors and omissions	Purchased insurance with Louisiana Office of Risk Management public entity risk pool	None
Injuries to employees (Workers' compensation)	Participates in Louisiana Office of Risk Management public entity risk pool.	None
Physical property loss and natural disasters	Purchased insurance with Louisiana Office of Risk Management public entity risk pool	None
Health and life	Participates in Louisiana Office of Group Benefits Plan	None

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

Management believes such coverage is sufficient to preclude any significant uninsured losses to the Natchitoches Levee and Drainage District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Public Entity Risk Pool

The Natchitoches Levee and Drainage District participates in the Louisiana State Office of Risk Management (risk entity pool), which is responsible for negotiating, compromising and settling all claims including all tort claims against the Natchitoches Levee and Drainage District.

4.D. COMMITMENTS AND CONTINGENCIES

Contingencies

Litigation

The Natchitoches Levee and Drainage District is not involved in any litigation nor has any claims outstanding at June 30, 2002.

4.E. COMPENSATION PAID TO BOARD MEMBERS

The schedule of per diem payments to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As authorized by Louisiana Revised Statute 34:1451, each member of the Board shall be reimbursed when actually in attendance at a board meeting or when required to travel for the official authorized business of the board, and such reimbursement shall not exceed \$75.00 per meeting, plus actual expenses.

<u>Board Member</u>	<u>Amount</u>
Alfred Bruning	\$ 900
Billy Giddens	975
Joseph N. Henry, Jr.	600
Janet Jones	900
Milton McDonald	900
Karlton Methvin	1,050
Adolph Sklar, Jr.	825
Total	<u>\$ 6,975</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund

NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED JUNE 30, 2002

	Budget Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes -				
Ad valorem, net	\$ 260,657.00	\$ 260,657.00	\$ 291,858.52	\$ 31,201.52
Intergovernmental -				
State revenue sharing	7,323.00	7,323.00	38,678.00	31,355.00
Use of money and property -				
Interest earnings			11,968.08	11,968.08
Miscellaneous -				
Other			879.82	879.82
Sale of surplus property			3,891.92	3,891.92
Total Revenues	267,980.00	267,980.00	347,276.34	79,296.34
Expenditures:				
Current -				
Personal services and related benefits	142,383.00	142,383.00	160,010.51	(17,627.51)
Travel			503.34	(503.34)
Operating services	67,397.00	67,397.00	87,842.42	(20,445.42)
Supplies	500.00	500.00	246.09	253.91
Professional services	23,500.00	23,500.00	31,761.20	(8,261.20)
Debt service	16,800.00	16,800.00		16,800.00
Capital outlays	20,000.00	20,000.00	74,047.30	(54,047.30)
Total Expenditures	270,580.00	270,580.00	354,410.86	(83,830.86)
<i>Excess of Revenues (Expenditures)</i>	(2,600.00)	(2,600.00)	(7,134.52)	(4,534.52)
FUND BALANCE - JUNE 30, 2001			470,210.11	470,210.11
FUND BALANCE - JUNE 30, 2002	\$ (2,600.00)	\$ (2,600.00)	\$ 463,075.59	\$ 463,675.59

OTHER REPORTS REQUIRED BY

GOVERNMENT AUDITING STANDARDS

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material misstatements in internal control or compliance matters that would be material to the presented financial statements.

Leroy J. Chustz
Certified Public Accountant, CPA

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Denham Springs, LA 70727-0158
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Fax: 225/667-3553

and

Beverly A. Ryall
Certified Public Accountant

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF THE BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board Members of
Natchitoches Levee and Drainage District
State of Louisiana
Natchitoches, Louisiana

We have audited the basic financial statements of the NATCHITOCHES LEVEE AND DRAINAGE DISTRICT, a component unit of the State of Louisiana, as of and for the year ended June 30, 2002, and have issued our report thereon dated August 13, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*.

Compliance

As part of obtaining reasonable assurance about whether the Natchitoches Levee and Drainage District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards* and the *Louisiana Governmental Audit Guide*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Natchitoches Levee and Drainage District's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components

does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Natchitoches Levee and Drainage District and its management. By provisions of state law, this report is a public document, and it has been distributed to appropriate officials.

Leroy J. Chastg

Certified Public Accountant, APAC

Beverly A. Ryall

Certified Public Accountant

August 13, 2002

**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2002**

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Natchitoches Levee and Drainage District.
2. No reportable conditions were disclosed during the audit of the basic financial statements.
3. No instances of noncompliance were disclosed during the audit of the basic financial statements.
4. There were no federal awards received by Natchitoches Levee and Drainage District.

B. FINDINGS--FINANCIAL STATEMENTS AUDIT

NONE

**NATCHITOCHES LEVEE AND DRAINAGE DISTRICT
RESOLUTION OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2002**

FINDINGS--FINANCIAL STATEMENTS AUDIT

Noncompliance

2001-1 Actual Expenditures Exceeded Budgeted Expenditures by More Than 5%

Condition:

Actual expenditures exceeded budgeted expenditures by 53.51%.

Criteria:

Under La. R.S. 39:1309 "Amending the Budget" the governing authority shall adopt a budget amendment in an open meeting to reflect any changes pursuant to La. R.S. 39:1310,A.(2). That section requires a budget amendment whenever total actual expenditures plus projected expenditures for the remainder of the year are exceeding the total budgeted expenditures by five (5%) percent or more.

Effect:

Management's failure to amend the budget is a violation of revised statute.

Cause:

Inadequate monitoring of the budget.

Recommendation:

Management should improve its monitoring of the budget on a quarterly basis by projecting the remainder of the year's revenues and expenditures plus actual revenues and expenditures and amending the budget as necessary.

Response:

Management concurred with the recommendation.

Current Year Status:

This finding was withdrawn.

SUPPLEMENTAL INFORMATION REQUIRED BY
STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY

The following pages contain a report on the Natchitoches Levee and Drainage District's Annual Financial Report prepared in accordance with the requirements of the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

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and

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**INDEPENDENT AUDITORS' REPORT ON
THE ANNUAL FINANCIAL REPORT TO THE
STATE OF LOUISIANA, DIVISION OF ADMINISTRATION
OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY**

Board Members of
Natchitoches Levee and Drainage District
State of Louisiana
Natchitoches, Louisiana

Our report on the audit of the basic financial statements of the NATCHITOCHES LEVEE AND DRAINAGE DISTRICT as of and for the year ended June 30, 2002, appears on Page 1. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Annual Financial Report as of and for the year ended June 30, 2002, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Leroy J. Chustz
Certified Public Accountant, APAC

Beverly A. Ryall
Certified Public Accountant

August 13, 2002

Natchitoches Levee & Drainage District
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2002

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

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STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2002

The Management's Discussion and Analysis of the Natchitoches Levee & Drainage District's (BTA) financial performance presents a narrative overview and analysis of Natchitoches Levee & Drainage District's (BTA) financial activities for the year ended June 30, 2002. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the Natchitoches Levee & Drainage District's (BTA) financial statements, which begin on page ____.

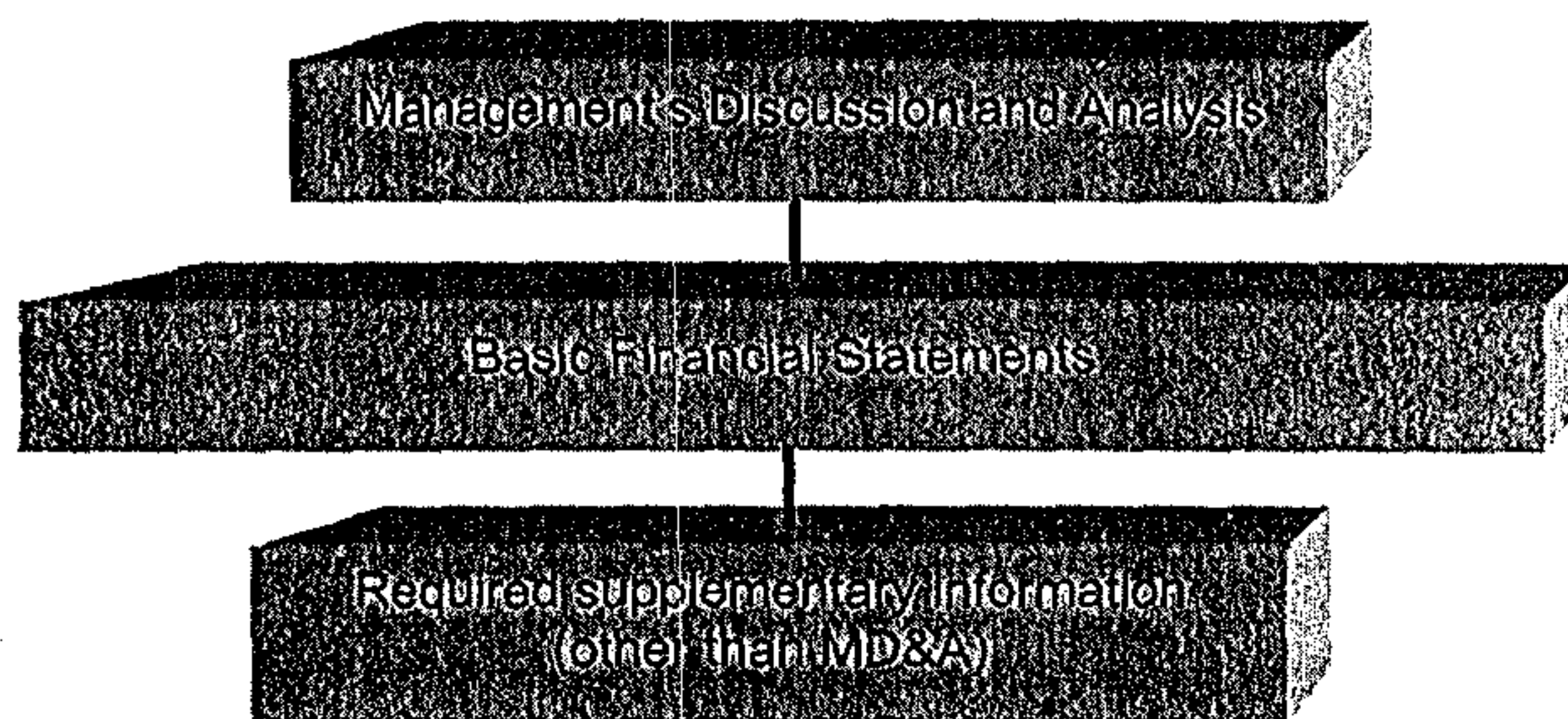
FINANCIAL HIGHLIGHTS

- ★ The Natchitoches Levee & Drainage District's (BTA) assets exceeded its liabilities at the close of fiscal year 2002 by 595,284 which represents a 45% increase from last fiscal year. The net assets increased by \$183,724.
- ★ The Natchitoches Levee & Drainage District's (BTA) revenue decreased \$14,274 and the net results from activities increased by \$102,205.

★
★
★
★

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

The basic financial statements present information for the Natchitoches Levee & Drainage District (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Statement of Net Assets (pages __ - __) presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Natchitoches Levee & Drainage District(BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages __ - __) presents information showing how Natchitoches Levee & Drainage District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement (pages __ - __) presents information showing how Natchitoches Levee & Drainage District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2002			
	Total		
	2002	2001	
Current and other assets	\$ 513,869	\$ 492,466	
Capital assets	149,549		
Total assets	663,418	492,466	
Other liabilities	68,134	906	
Long-term debt outstanding			
Total liabilities	68,134	906	
Net assets			
Invested in capital assets, net of debt	149,549		
Restricted			
Unrestricted	445,736	491,560	
Total net assets	\$ 595,284	\$ 491,560	

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, grant requirements, _____. Conversely, unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2002

Net assets of Natchitoches Levee & Drainage District's (BTA) decreased by \$_____, or _____%, from June 30, 2001 to June 30, 2002. One of the major causes of this decrease is the inclusion of Infrastructure assets. This class of asset, which includes roads, bridges, and levees, was not included in general fixed assets of Natchitoches Levee & Drainage District (BTA) under the basis of accounting prior to adoption of GASB Statement 34. Other causes include _____.

Statement of Revenues, Expenses, and Changes in Funded Net Assets				
for the years ended June 30, 2002				
	2002		2001	
Operating revenues	\$	12,848	\$	46,458
Operating expenses		(319,096)		(408,205)
Operating income(loss)		(306,246)		(361,747)
Nonoperating revenues(expenses)		344,175		319,157
Income(loss) before transfers		37,930		(67,990)
Transfers to				
Transfers out				
Net increase(decrease) in net assets	\$	37,930	\$	(67,990)

The Natchitoches Levee & Drainage District's (BTA) total revenues decreased by \$8,193. The total cost of all programs and services decreased by \$84,112 or less than 21%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2002, the Natchitoches Levee & Drainage District (BTA) had \$149,549 (net depreciation) invested in a broad range of capital assets, including land and equipment. (See Table below). This amount represents a net increase (including additions and deductions) of \$4,065 over last year.

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2002

Capital Assets at Year-end
(Net of Depreciation)

	<u>2002</u>	<u>2001</u>
Land	\$ 1,200	\$ 1,200
Buildings and improvements		
Equipment	148,349	152,414
Infrastructure		
Totals \$	<u>149,549</u>	<u>\$ 153,614</u>

This year's major additions included (at cost):

- JD 7405 Tractor - \$37,024
- JD 7405 Tractor - \$37,023

Debt

N/A

The Natchitoches Levee & Drainage District (BTA) had \$ _____ thousand in bonds and notes outstanding at year-end, compared to \$ _____ thousand last year, an increase of _____ % as shown in the table below.

Outstanding Debt at Year-end
(in thousands)

	<u>2002</u>	<u>2001</u>
General Obligation Bonds	\$	\$
Revenue Bonds and Notes		
Totals \$	<u>0</u>	<u>\$ 0</u>

New debt resulted from _____.

The Natchitoches Levee & Drainage District (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The Natchitoches Levee & Drainage District (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$____ million over/under budget and expenditures were more than/less than budget due in part to _____.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Natchitoches Levee & Drainage District's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Projected amount of available revenue.
- Projected equipment needs
- Personnel and related costs

The Natchitoches Levee & Drainage District (BTA) expects that next year's results will improve based on the following :

- More efficient use of equipment, materials, and personnel
-
-

CONTACTING THE NATCHITOCHES LEVEE & DRAINAGE DISTRICT'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Natchitoches Levee & Drainage District's (BTA) finances and to show the Natchitoches Levee & Drainage District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact Cliff Conine.

STATE OF LOUISIANA
NATCHITOCHEES LEVEE & DRAINAGE DISTRICT(BTA)
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2002

ASSETS

CURRENT ASSETS:

Cash and cash equivalents (Note C1)	\$ 507,199
Investments (Note C2)	
Receivables (net of allowance for doubtful accounts)(Note U)	
Prepayments	
Notes receivable	
Restricted assets (Note F):	
Cash	
Investments	
Receivables	3,977
Other current assets	2,693
Total current assets	513,869

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Notes receivable	
Capital assets (net of depreciation)(Note D)	
Land	1,200
Buildings and Improvements	
Machinery and equipment	148,349
Infrastructure	
Construction in progress	
Other noncurrent assets	
Total noncurrent assets	149,549
Total assets	\$ 663,418

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 50,794
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total current liabilities	50,794

NON-CURRENT LIABILITIES:

Contracts payable	
Reimbursement contracts payable	
Compensated absences payable (Note K)	17,340
Capital lease obligations (Note J)	
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total long-term liabilities	17,340
Total liabilities	68,134

NET ASSETS

Invested in capital assets, net of related debt	149,548
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	445,736
Total net assets	595,284
Total liabilities and net assets	\$ 663,418

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
NATCHITOCHEES LEVEE & DRAINAGE DISTRICT (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2002

OPERATING REVENUES

Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____
Other	12,848
Total operating revenues	12,848

OPERATING EXPENSES

Cost of sales and services	_____
Administrative	289,630
Depreciation	29,463
Amortization	_____
Total operating expenses	319,093
Operating income(loss)	(306,245)

NON-OPERATING REVENUES(EXPENSES)

State appropriations	_____
Intergovernmental revenues (expenses)	38,678
Taxes	301,605
Use of money and property	_____
Gain (loss) on disposal of fixed assets	3,892
Federal grants	_____
Interest expense	_____
Other	_____
Total non-operating revenues(expenses)	344,175
Income(loss) before contributions and transfers	37,930

Capital contributions

Transfers in

Transfers out

Change in net assets	37,930
Total net assets – beginning as restated	557,354
Total net assets – ending	\$ 595,284

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

	Program Revenues			Net (Expense)
		Operating	Capital	Revenue and
	Charges for	Grants and	Grants and	Changes in
<u>Expenses</u>	<u>Services</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
Component Unit:				
Natch Levee & Drainage Distr	\$ <u>319,093</u>	\$ <u></u>	\$ <u></u>	\$ <u>(319,093)</u>
General revenues:				
Taxes				<u>301,605</u>
State Revenue Sharing				<u>38,678</u>
Grants and contributions not restricted to specific programs				<u></u>
Interest				<u>11,968</u>
Miscellaneous				<u>880</u>
Special items				<u>3,892</u>
Transfers				<u></u>
Total general revenues, special items, and transfers				<u>357,023</u>
Change in net assets				<u>37,930</u>
Net assets - beginning				<u>557,354</u>
Net assets - ending				\$ <u>595,284</u>

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2002

Cash flows from operating activities

Cash received from customers	\$		
Cash payments to suppliers for goods and services		(50,130)	
Cash payments to employees for services		(125,515)	
Payments in lieu of taxes			
Internal activity-payments to other funds			
Claims paid to outsiders			
Other operating revenues(expenses)		307,175	
Net cash provided(used) by operating activities			131,530

Cash flows from non-capital financing activities

State appropriations			
Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Operating grants received			
Collection of Note Receivable		10,000	
Transfers in			
Transfers out			
Net cash provided(used) by non-capital financing activities			10,000

Cash flows from capital and related financing activities

Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Acquisition/construction of capital assets		(74,047)	
Proceeds from sale of capital assets		52,542	
Capital contributions			
Increase in Accrued Compensated Absences		(17,820)	
Net cash provided(used) by capital and related financing activities			(39,325)

Cash flows from investing activities

Purchases of investment securities			
Proceeds from sale of investment securities			
Interest and dividends earned on investment securities			
Net cash provided(used) by investing activities			0

Net increase(decrease) in cash and cash equivalents

102,205

Cash and cash equivalents at beginning of year

404,994

Cash and cash equivalents at end of year

\$ 507,199

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
NATCHITOCHE LEVEE & DRAINAGE DISTRICT (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2002

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$	<u>34,038</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	29,463	
Provision for uncollectible accounts		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable	801	
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable	50,006	
Increase(decrease) in accrued payroll and related benefits	(118)	
Increase(decrease) in compensated absences payable	17,340	
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities	\$	<u>131,530</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	
Contributions of fixed assets	
Purchases of equipment on account	
Asset trade-ins	
Other (specify)	
Total noncash investing, capital, and financing activities:	0

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

INTRODUCTION

The Natchitoches Levee & Drainage District (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:291H. The following is a brief description of the operations of Natchitoches Levee & Drainage District (BTA) which includes the parish/parishes in which the (BTA) is located: The District includes most of Natchitoches Parish, and it primarily provides flood protection for those areas contained in the District.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Natchitoches Levee & Drainage District present information only as to the transactions of the programs of the Natchitoches Levee & Drainage District as authorized by Louisiana statutes and administrative regulations. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Natchitoches Levee & Drainage District are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Natchitoches Levee & Drainage District (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2002

APPROPRIATIONS

Original approved budget	\$ <u>267,980</u>
Amendments:	<u> </u>
	<u> </u>
Final approved budget	\$ <u><u>267,980</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Natchitoches Levee & Drainage District (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at Peoples State Bank, were secured as follows:

	Deposits in bank accounts			
	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in bank accounts per balance sheet	\$ <u>272,739</u>	\$ <u>234,460</u>	\$ <u> </u>	\$ <u>507,199</u>
Bank balances:				
1. Insured or collateralized with securities held by the entity or its agency <u>in the entity's name</u>	<u>100,000</u>	<u>100,000</u>	<u> </u>	<u>200,000</u>
2. Collateralized with securities held by the pledging institution's trust department or agent <u>in the entity's name</u>	<u>325,765</u>	<u>150,000</u>	<u> </u>	<u>475,765</u>
3. Uncollateralized, including any securities held for the entity <u>but not in the entity's name</u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total bank balances	\$ <u>425,765</u>	\$ <u>250,000</u>	\$ <u>0</u>	\$ <u>675,765</u>

STATE OF LOUISIANA
 NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
 Notes to the Financial Statement
 As of and for the year ended June 30, 2002

NOTE: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Peoples State Bank	Checking	\$ 272,739
2. Peoples State Bank	Time Deposits	234,460
3. _____	_____	_____
4. _____	_____	_____
Total		\$ <u>507,199</u>

Were uncollateralized securities fitting the description in (3) above during the year significantly greater than at no (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence.

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included in the balance sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS
 N/A

Upon implementation of GASB Statement 31, reported amount and fair value will often be the same number.

The _____ (BTA) does (does not) maintain investment accounts as authorized by _____ (Note legal provisions authorizing investments by (BTA)).

Investments can be classified according to the level of risk to the entity. Using the following categories, list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1 - Insured or registered in the entity's name, or securities held by the entity or its agent in the entity's name.

Category 2 - Uninsured and unregistered with securities held by the counterparty's trust department or agent in the entity's name.

Category 3 - Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name.

Certain types of investments cannot appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

STATE OF LOUISIANA
 NATCHITOCHES LEVEE & DRAINAGE DISTRICT (BTA)
 Notes to the Financial Statement
 As of and for the year ended June 30, 2002

Type of Investment	Category of Risk			Reported Amount	Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>		
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ 0	\$ _____
U.S. Government securities	_____	_____	_____	0	_____
Common & preferred stock	_____	_____	_____	0	_____
Commercial paper	_____	_____	_____	0	_____
Corporate bonds	_____	_____	_____	0	_____
Other: (Identify)	_____	_____	_____	0	_____
	_____	_____	_____	0	_____
	_____	_____	_____	0	_____
	_____	_____	_____	0	_____
	_____	_____	_____	0	_____
Total categorized Investments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Investments not categorized: (list separately)					
_____				_____	_____
_____				_____	_____
_____				_____	_____
_____				_____	_____
_____				_____	_____
Total Investments				\$ 0	\$ 0

3. Other Disclosures Required for Investments
 N/A

- a. Investments in pools managed by other governments or mutual funds _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____
 - 2. Description of the terms of the agreement _____
- e. Investment types owned during the year but not owned as of June 30 _____
- f. Losses during the year due to default by counterparties to deposit or investment transactions _____
- g. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

STATE OF LOUISIANA
NATCHITOCHE LEVEE & DRAINAGE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2002

- h. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- i. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of the Balance Sheet Date

- j. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- k. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements _____
- l. Market value on _____ (fiscal close), of the securities to be repurchased _____
- m. Description of the terms of the agreements to repurchase _____
- n. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- o. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- p. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____
- q. Basis for determining which investments, if any, are reported at amortized cost _____
- r. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- s. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- t. Any involuntary participation in an external investment pool _____
- u. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate _____

STATE OF LOUISIANA
NATCHITOCHEs LEVEE & DRAINAGE DISTRICT (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2002

v. Any income from investments associated with one fund that is assigned to another fund _____

D. CAPITAL ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the statement of net assets of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

Year ended June 30, 2002

	Balance 6/30/2001	Additions	Transfers *	Retirements	Balance 6/30/2002	Prior Period Adjustment	Adjusted Balance 6/30/2002
Capital assets not being depreciated							
Land	1,200	--	--	--	1,200	--	1,200
Non-depreciable land improvements	--	--	--	--	--	--	--
Capitalized collections	--	--	--	--	--	--	--
Construction in progress	--	--	--	--	--	--	--
Total capital assets not being depreciated	1,200	--	--	--	1,200	--	1,200
Other capital assets							
Furniture, fixtures, and equipment	344,778	74,047	--	(60,812)	358,013	--	358,013
Less accumulated depreciation	(192,364)	(29,462)	--	12,162	(209,664)	--	(209,664)
Total furniture, fixtures, and equipment	152,414	44,585	--	(48,650)	148,349	--	148,349
Buildings and improvements	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total buildings and improvements	--	--	--	--	--	--	--
Depreciable land improvements	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total depreciable land improvements	--	--	--	--	--	--	--
Infrastructure	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total infrastructure	--	--	--	--	--	--	--
Total other capital assets	152,414	44,585	--	(48,650)	148,349	--	148,349
Capital Asset Summary:							
Capital assets not being depreciated	1,200	--	--	--	1,200	--	1,200
Other capital assets, at cost	344,778	74,047	--	(60,812)	358,013	--	358,013
Total cost of capital assets	345,978	74,047	--	(60,812)	359,213	--	359,213
Less accumulated depreciation	(192,364)	(29,462)	--	12,162	(209,664)	--	(209,664)
Capital assets, net	153,614	44,585	--	(48,650)	149,549	--	149,549

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

E. INVENTORIES

N/A

The unit's inventories are valued at _____ (method of valuation). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

N/A

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$_____ in the current assets section on Statement A, consist of \$_____ in cash with fiscal agent, \$_____ in receivables, and \$_____ investment in _____ (identify the type investments held.)

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$_____ in the non-current assets section on Statement A, consist of \$_____ in cash with fiscal agent, \$_____ in receivables, and \$_____ investment in _____ (identify the type investments held.)

G. LEAVE

1. COMPENSATED ABSENCES

The Natchitoches Levee & Drainage District has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the General Fund when leave is actually taken. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in the general long-term obligations account group.

2. COMPENSATORY LEAVE

N/A

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$_____. The leave payable (is) (is not) recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the District are members of the La State Employees Retirement System (System), a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time District employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the District is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2002, increased to 13% of annual covered payroll from the 12.4% and 13% required in fiscal years ended June 30, 2001 and 2000, respectively. The (BTA) contributions to the System for the years ending June 30, 2002, 2001, and 2000, were \$12,882, \$12,761, and \$13,516, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Natchitoches Levee & Drainage District does have these benefits but they did not begin until July 2002.

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.**
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

**If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

Substantially all (BTA) employees become eligible for post employment health care, dental and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). For 2001, the cost of providing those benefits for the _____ retirees totaled \$_____.

The _____ (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for those benefits if they reach normal retirement age while working for the (BTA). Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the (BTA). The (BTA) recognizes the cost of providing these benefits ((BTA)'s portion of premiums) as an expenditure when paid during the year, which was \$_____ for the year ended _____, 20____. The cost of providing those benefits for _____ retirees is not separable from the cost of providing benefits for the _____ active employees. (or, The (BTA)'s cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended _____, 20____ the costs of _____ retiree benefits totaled \$_____).

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 Notes to the Financial Statement
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J. LEASES
 N/A

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$ _____. A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008-2012</u>	<u>FY2013-2015</u>
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

2. CAPITAL LEASES

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

<u>Nature of lease</u>	<u>Date of lease</u>	<u>Last payment date</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>	<u>Fund that pays lease</u>
a. Office space	_____	_____	\$ _____	\$ _____	_____
b. Equipment	_____	_____	_____	_____	_____
c. Land	_____	_____	_____	_____	_____
Total			\$ <u>0</u>	\$ <u>0</u>	

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

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Year ending June 30, :	<u>Total</u>
2003	\$ _____
2004	_____
2005	_____
2006	_____
2007	_____
2008-2012	_____
2013-2015	_____
Total minimum lease payments	_____ 0
Less amounts representing executory costs	_____
Net minimum lease payments	_____ 0
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ 0

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

Collectibility of the minimum lease payments is reasonably predictable.

No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement, and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>
a. Office space	_____	\$ _____
b. Equipment	_____	_____
c. Land	_____	_____
Less amounts representing executory costs		_____
Minimum lease payment receivable		_____ 0
Less allowance for doubtful accounts		_____
Net minimum lease payments receivable		_____ 0
Less unearned income		_____
Net investment in direct financing lease		\$ _____ 0

Minimum lease payments do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2002 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year):

Year ending _____:	
2003	\$ _____
2004	_____
2005	_____
2006	_____
2007	_____
2008-2012	_____
2013-2017	_____
Total	\$ _____ 0

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ 0	\$ _____ 0	\$ _____ 0

The following is a schedule by years of minimum future rentals on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year):

Year Ended June 30,	Office Space	Equipment	Land	Other	Total
2003	\$ _____	\$ _____	\$ _____	\$ _____	0
2004					0
2005					0
2006					0
2007					0
2008-2012					0
2013-2015					0
Total	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0	0

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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K. LONG-TERM LIABILITIES
N/A

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 20__:

	Balance June 30, 2001	Year ended June 30, 2002		Balance June 30, 2002	Amounts due within one year
		Additions	Reductions		
Bonds and notes payable:					
Notes payable	\$	\$	\$	\$ --	\$
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	--	--	--	--	--
Other liabilities:					
Contracts payable				--	
Compensated absences payable				--	
Capital lease obligations				--	
Liabilities payable from restricted assets				--	
Claims and litigation				--	
Other long-term liabilities				--	
Total other liabilities	--	--	--	--	--
Total long-term liabilities	--	--	--	--	--

A detailed summary, by issues, of all debt outstanding at June 30, 20__, including outstanding interest of \$_____ is shown on schedule 4. Schedule 5 is an amortization schedule of the outstanding debt. (Send a copy of the amortization schedule for any new debt issued.)

L. LITIGATION
N/A

1. The _____ (BTA) is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
			\$	\$
Totals			\$ 0	\$ 0

The _____ (BTA)'s legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

2. Claims and litigation costs of \$_____ were incurred in the current year and are reflected in the accompanying financial statement.

M. RELATED PARTY TRANSACTIONS

N/A

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions).

N. ACCOUNTING CHANGES

N/A

Accounting changes made during the year involved a change in accounting _____ (principle, estimate, error or entity). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS

N/A

(List all in-kind contributions that are not included in the accompanying financial statements.)

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____ 0

P. DEFEASED ISSUES

N/A

In _____, _____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt of \$_____).

Q. COOPERATIVE ENDEAVORS

N/A

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has

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entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state. The liability outstanding as of June 30, 2002, by funding source, is as follows:

NOTE: Amounts in excess of contract limits **cannot** be used to reduce the outstanding contract balance at June 30, 2002. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2001. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

N/A

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2001-2002:

<u>CFDA Number</u>	<u>Program Name</u>	<u>State Match Percentage</u>	<u>Total Amount of Grant</u>
			\$
Total government-mandated nonexchange transactions (grants)			\$ 0

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

N/A

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____ The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT

N/A

The _____ (BTA) issues short-term notes for _____.

Short-term debt activity for the year ended June 30, 20__, was as follows:

	<u>Reason for Debt</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes		\$	\$	\$	\$ 0

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The _____ (BTA) uses a revolving line of credit to finance bonds.
prior to the issuance of related

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Reason for Debt	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit		\$ _____	\$ _____	\$ _____	\$ _____ 0

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2002, were as follows:

Activity	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
Federal Taxes Refund	\$ _____	\$ 2,344	\$ _____	\$ _____	\$ 2,344
Interest Receivable				1,633	1,633
Gross receivables	\$ 0	\$ 2,344	\$ 0	\$ 1,633	\$ 3,977
Less allowance for uncollectible accounts	0	0	0	0	0
Receivables, net	\$ 0	\$ 2,344	\$ 0	\$ 1,633	\$ 3,977
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ 0

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2002, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Capital Expenditures	John Deere	\$ _____	\$ _____	\$ 48,006	\$ 48,006
Legal & Professional	Luster & Conine			2,000	2,000
Total payables		\$ 0	\$ 0	\$ 50,006	\$ 50,006

W. SUBSEQUENT EVENTS

N/A

[Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.]

X. SEGMENT INFORMATION

N/A

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For the purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or an other stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment _____.

A. Condensed statement of net assets:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Statement of Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

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Notes to the Financial Statement
As of and for the year ended June 30, 2002

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ 0	_____ 0
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ 0	_____ 0
Beginning net assets	_____	_____
Ending net assets	_____ 0	_____ 0

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ 0	_____ 0

Y. DUE TO/DUE FROM AND TRANSFERS

N/A

1. List by fund type the amounts **due from other funds** detailed by individual fund at your fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
Total due from other funds	_____	\$ _____ 0

STATE OF LOUISIANA
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Notes to the Financial Statement
As of and for the year ended June 30, 2002

2. List by fund type the amounts due to other funds detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$
Total due to other funds		\$ 0

3. List by fund type all transfers from other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$
Total transfers from other funds		\$ 0

4. List by fund type all transfers to other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$
Total transfers to other funds		\$ 0

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

N/A

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 2002.

<u>Fund balance</u> <u>July 1, 2001,</u> <u>previously reported</u>	<u>Adjustments</u> <u>+ or (-)</u>	<u>Beginning net</u> <u>assets, July 1, 2001,</u> <u>As restated</u>
411,560	\$ 145,794	\$ 557,354
		--
		--

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Each adjustment must be explained in detail on a separate sheet.

(NOTE: Net Assets at July 1, 2002, previously reported, must correspond to Net Assets at June 30, 2002, per the information received from OSRAP.)

Record assets net of accumulated depreciation	\$153,614
Record compensated absences	(17,820)
Record long term receivable	10,000
Total Adjustments	\$145,794

STATE OF LOUISIANA
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SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2002
(Fiscal Close)

<u>Name</u>	<u>Amount</u>
Adolph Sklar	\$ 750
Alfred Bruning	900
Billy Giddens	975
Janet Jones	900
John Clifton Conine	900
Joseph Ned Henry, Jr.	600
Karlton Methvin	1,050
Milton McDonald	900
	\$ 6,975

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SCHEDULE OF STATE FUNDING
For the Year Ended June 30, 2002
(Fiscal Close)

<u>Description of Funding</u>	<u>Amount</u>
1. State Revenue Sharing	\$ 38,678
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ <u>38,678</u>